Secretary Nicholson

Good morning, colleagues.

I feel strongly about speaking directly to you about one of the most important HR transformations this Department has undertaken in some time...

Information Technology ...

IT, as we know, is a tool to make this department better able to meet the needs of our veterans ... the 21st century needs of our veterans.

Advancements in technology enable VA to better serve our veterans.

We have shown that with our renowned electronic health records. VBA uses technology to quicken claims processes.

NCA has a computerized grave location system.

We have advanced our capabilities in IT, and now it makes "business sense" to centralize many of our functions.

Centralizing the IT function gives the Chief Information Officer authority for major IT decisions ... from standardizing hardware purchases, to implementing wide-ranging IT and data security measures. Strategic management of our IT resources will give IT leaders enhanced management flexibilities ... bringing essential 21st century solutions to address the issues we face today.

To achieve both cost savings and cost avoidance, we need ... to realize operational efficiencies ... to reduce redundancies ... and to improve customer service.

Modernizing our IT function in the department also allows VA to retain and recruit the finest professionals in the field. All transferred IT professionals will now be working in IT as a full-time position, complete with a fully defined career path.

And, with additional training programs, we will be better able to grow our own talent within the department. You well know first hand how VA is competing with the private sector for talent ... and training is essential for any professional growth. We should be a leader in training as we seek to fully professionalize this career field.

Just as I have announced that VA will be the "Gold Standard" in data security, we too should seek to be the business model in reforming our IT organization.

There is the vision. It is achievable and will improve VA at many levels. But in order to reach these lofty goals, I want to speak directly to the IT employees involved in the reorganization, as well as to their front line supervisors. Your concerns must be addressed.

Weeks ago, you should have received letters from central office human resources that you were being detailed to the office of information and Technology.

On October 1, some 4,500 VA employees will be formally reassigned to the Office of Information and Techno<u>logy</u>. This is the first major step in a years-long conversion to a centralized information technology system for the entire Department.

This is an amazing change ... and I believe a change for the good ... for you ... for the organization ... and for our veterans.

I am also here to tell you that much of this transition -- from an HR aspect -- will be invisible to you. But that certainly doesn't mean you shouldn't be made aware of the process.

While you may be working for a different organization, much of your work each and every day will remain unchanged.

And you should continue to follow the policies and procedures that have guided operations and maintenance at your facility ... unless otherwise directed.

My concern throughout this transition is that we continue to maintain consistent and high quality service. <u>In my</u> tenure at this department, I have come to respect and admire the quality of IT services provided this organization, and I expect that quality customer service will continue.

I believe strongly in accountability. That concept applies to me as well. I am accountable to you during this transformation to address your concerns and questions, and I have made certain that several avenues are available to you to gather more information.

One information venue is our major VA conferences.

Recently the human resources conference addressed these concerns at separate breakout sessions. I also know that it was discussed last month at VHA's national leadership conference. It will be a significant topic at the November IT conference in Austin.

Those conferences I realize may not include you directly. But you should know that this is being discussed at every level of the organization. For all employees, we have used the Hey VA! message opportunities on the VA web page as you log on every day. There is a VA website dealing with the issue as well.

HR in central office has started a weekly nationwide conference call to the field to discuss human resource aspects of the realignment. I know there are some 265 lines they've opened for this call. HR is also sending

packages of information to CIOs and local IT leaders at every site that discusses all aspects of the reorganization.

While there are no shortages of avenues used to get the word out, I still believe strongly in the wisdom and effectiveness of one-on-one discussions for successful communication on HR issues. I urge all supervisors to be aware of the need to discuss these matters with employees – and keep discussing them – until they are comfortable with the transition. I have found that an organization better functions as a whole when all employees understand their role.

I appreciate this opportunity to speak directly to you about this reorganization. I believe it is the best approach for this department to maximize our IT assets ... and I know we have a tremendous cadre of employees working in this field.

I continue to encourage my senior leadership team to stress the importance of this reorganization, and ask that they provide the necessary resources to answer your questions and alleviate your concerns.

This transition is a big job and I have every confidence in the men and women of VA to accomplish it with success.

And I expect every VA employee to fully embrace these changes.

This isn't the last you'll hear from the Department on this issue. In the weeks following this broadcast, there will be others from the Deputy Secretary, the Under Secretaries, HR and perhaps others.

But for now, to address a few of your questions, I'd like to introduce Bob Howard, supervisor for the Office of Information and technology, and the President's nominee to head that department as Assistant Secretary. I would note that Bob just recently had his confirmation hearing before the Senate Veterans Affairs Committee, and we are hoping for a quick approval by the full Senate shortly.

GENERAL HOWARD:

Thank you, Mr. Secretary.

And thank you for watching this broadcast today. The realignment of VA's IT programs and personnel is perhaps the most ambitious program of its kind and I want you to know that I am 100-percent committed to your success as we move into this transition.

We'll be taking our first big step on October 1, when operations and maintenance IT staff from across the entire VA system will be permanently re-assigned to the Office of Information and Technology.

This is largely an administrative move to make sure we begin to fulfill the requirements laid-out by Congress, but there are many details involved. It's critical that all our IT supervisors and managers are sensitive to this and work with their staff to make sure that their concerns are addressed.

This will not be an easy or quick transformation. There will be a few difficulties along the way, and it's natural for some people to be uncomfortable with change on such a scale. But the prospect of more standardization and interoperability we can harness through this centralization is exciting.

It is exciting not only in terms of the professional challenges involved but also by virtue of the increased capabilities and efficiencies that can be brought to bear as we continue to work on delivering the best possible services to our customers; the veterans who rely on VA every single day.

As Secretary Nicholson mentioned, this is a multi-year transition, so we're looking at this in short and long-term perspectives.

In the short term, our mission is simple and direct: to do no harm and deliver high quality service.

As a minimum, we will maintain the same level of service as we have all along as we begin this re-alignment.

In the long haul, we'll be able to gain efficiencies and reduce duplication while still providing system redundancies to ensure smooth, reliable operations. We'll be building a platform for superior service, and an environment of innovation.

Through all of this, your feedback to me is critical. I want to know what works, what doesn't, what can be improved upon, and how we can best approach and execute this transition.

This realignment will create entirely new possibilities for VA. We'll be more streamlined. More nimble - More responsive - all focused on better service for veterans.

We already have evidence that this reorganization is a positive step with respect to achieving the gold standard in information security. We will continue to leverage those capabilities that a more centralized approach provides.

Mr. Secretary, I share your confidence that we can and will meet the challenges that lie before us and exceed expectations. I'm confident because we have the same great IT professionals who have already brought so much distinction to the Department.

It's a legacy of pride, achievement and service to veterans, and with this transformation,

we'll be poised for significantly improved performance in the years to come.

Thank you.

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